

KELLEY DRYE & WARREN LLP

A LIMITED LIABILITY PARTNERSHIP

WASHINGTON HARBOUR, SUITE 400

3050 K STREET, NW

WASHINGTON, D.C. 20007-5108

(202) 342-8400

F A C S I M I L E

(202) 342-8451

www.kelleydrye.com

NEW YORK, NY

LOS ANGELES, CA

CHICAGO, IL

STAMFORD, CT

PARSIPPANY, NJ

BRUSSELS, BELGIUM

AFFILIATE OFFICES

MUMBAI, INDIA

DIRECT LINE: (202) 342-8518

EMAIL: tcohen@kelleydrye.com

April 5, 2013

Via ECFS

Marlene Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: American Cable Association (“ACA”) *Ex Parte* Filing on the Connect America Fund Cost Model, WC Docket No. 10-90

Dear Ms. Dortch:

On April 3, 2013, Ross Lieberman (ACA), and the undersigned, Thomas Cohen (Kelley Drye & Warren LLP), met with Angela Kronenberg, Wireline Legal Advisor to Commisisoner Clyburn, to review issues raised and proposals submitted by ACA in the Commission’s Connect America Fund Phase I Incremental Support Further Notice of Proposed Rulemaking in the above-referenced docket.

Mr. Lieberman began the meeting by reviewing ACA’s proposal for awarding CAF Phase I incremental support in 2013 should the Commission decide to continue this program for another year. He stated that the Commission could continue to achieve its objectives for the program by not altering its rules for price cap LECs that have more than a sufficient number of eligible lower cost locations based on the 2013 allocation that are not served with broadband service at speeds of 768/200 kbps. These price cap LECs have a sound commercial rationale to use their entire allocation of incremental support of \$775 per location. At the same time, he stated that the Commission may consider altering its rules for those price cap LECs that have an insufficient number of eligible lower cost locations based on the 2013 allocation not served with broadband service at speeds of 768/200 kbps. In these instances, price cap LECs should be able to use Phase I incremental support to deploy broadband to locations in areas that do not currently receive 4/1 Mbps broadband service but only after the LEC uses its support to deploy broadband to its remaining lower cost unserved locations with at most 768/200 kbps service. By requiring lower cost unserved locations with 768/200 kbps to be served first, ACA’s approach helps ensure the Commission’s objective for the program is achieved. It also would avoid providing these LECs with surplus funds, which they could use for “non-supported” purposes, thereby harming competitive, high performance infrastructure deployments.

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As for distribution of “leftover” 2012 Phase I incremental support, Mr. Lieberman stated that the Commission should either add the amount to the Phase II distribution where it can be distributed more efficiently or return the money to consumers by lowering the contribution rate paid by them.

Mr. Lieberman then discussed the Commission’s proposals to alter the amount of support per location or provide support for second-mile fiber. In both instances, ACA submits that the record for the proceeding is devoid of any evidence supporting either proposal, and thus both should be rejected.

In sum, the Commission has no basis – other than from the data submitted by ACA – to amend its rules for the distribution of Phase I incremental support.

This letter is being filed electronically pursuant to section 1.1206 of the Commission’s rules.

Sincerely,



Thomas Cohen
Kelley Drye & Warren, LLP
3050 K Street N.W.
Washington, DC 20007
202-342-8518
tcohen@kelleydrye.com
Counsel for the American Cable Association

cc: Angela Kronenberg